

TTV Nashville FY 2011 Budget Assumptions

Revenue Assumptions

	FY 2010	FY 2010 % Total	FY 2011	FY 2011 % Total
Apr	22,282	5.2%	24,700	5.2%
May	30,120	7.0%	31,825	6.7%
Jun	22,633	5.3%	24,741	5.2%
Jul	25,127	5.8%	27,550	5.8%
Aug	20,476	4.8%	24,790	5.2%
Sep	16,600	3.9%	21,850	4.6%
Oct	26,067	6.0%	29,450	6.2%
Nov	67,139	15.6%	73,150	15.4%
Dec	132,583	30.8%	147,725	31.1%
Jan	23,010	5.3%	23,275	4.9%
Feb	23,239	5.4%	22,800	4.8%
Mar	21,757	5.0%	23,275	4.9%
Total	\$ 431,033	100.00%	475,131	100.0%

FY 10 Total Revenue (estimated)	\$	431,033	(\$25k of which is offsite sales)
Assumed Growth		10.2%	
FY 11 Total Revenue	\$	475,000	
FY 10 Est. Sales Per Sq. Ft. (1350 Avg. Sq. Ft.)	\$	311.2	
FY 11 Est. Sales Per Sq. Ft. (1500 Avg. Sq. Ft.)	\$	316.7	(FY 06-09 avg sales of \$410/sq foot)
Assumed Growth in Sales Per Sq. Ft.		1.8%	

Cost of Goods Sold

Assuming gross margin of 48.80% (gross margin running 48.83% FY 10 through Feb)

Operating Expenses

Salaries and Wages

	Annual	Monthly	
Lisa (salary)	\$ 53,739	\$ 4,478	Assumes 2.5% raise
Holiday Bonus	500		
Year End Bonus	-	TBD	
Total	54,239		plus health insurance and Simple IRA contributions
Grace (salary)	\$ 32,595	\$ 2,716	Assumes 2.5% increase
Holiday Bonus	250		
Year End Bonus	-	TBD	
Total	32,845		
Simple IRA Contribution	1,627	136	Assumes 3% Employer Match
Health Insurance (Lisa)	2,484	207	
Health Insurance (Grace)	-	150	(Grace's salary raised \$1800 in FY 10 in lieu of insurance)
Part-Time/Seasonal Employees:		-	nothing budgeted
Sales/Inventory (\$10/hr)		-	nothing budgeted

Payroll Expenses

Payroll Taxes

7.70%

	<u>Annual</u>	<u>Monthly</u>	
Paychex Fees	1,550	129.17	Paychex agreed to price reduction

Advertising Expenses

Total FY11 Advertising Expense	14,250	3% of sales (vs. Advertising expense of \$20k in Fiscal 2010)
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	<u>% of total budget</u>	<u>FY 2011 Monthly</u>
Apr	5.2%	741
May	6.7%	955
Jun	5.2%	742
Jul	5.8%	827
Aug	5.2%	744
Sep	4.6%	656
Oct	6.2%	884
Nov	15.4%	2,195
Dec	31.1%	4,432
Jan	4.9%	698
Feb	4.8%	684
Mar	4.9%	698
	100.0%	14,254

Insurance

<u>Annual</u>	<u>Monthly</u>	
5,232.00	436.00	General Liability (\$1983/annum) Workers Comp (\$2099/annum) D&O (\$1150/annum)

Credit Card Fees

% of total sales
1.80%

Monthly CC Fees

Apr	445
May	573
Jun	445
Jul	496
Aug	446
Sep	393
Oct	530
Nov	1,317
Dec	2,659
Jan	419
Feb	410
Mar	419
Total	8,552

Rent

Current Monthly Rent	6,304	per month
New Rent Effective Oct 2010	7,071	per month

Professional Services**Professional Fees**

Accounting - J. Malone	2,100	
Monthly	175	
Audit Expense	6,900	\$6,781 audit expense in FY 2010
April	2,300	
May	2,300	
June	2,300	

Technical Support

Annual	3,260	Includes IT service, plus \$1412 maintenance agreement
Monthly	272	and \$648 in warranties for POS terminals (2 x \$324)

Utilities

	<u>FY 2010 (annualized)</u>	<u>% of total</u>	<u>FY 2011</u>	<u>Monthly</u>
Telephone	2,905	32.6%	2,675	223
Electric	5,182	58.2%	4,750	396
Gas	635	7.1%	654	54
Water	180	2.0%	180	15
Total	8,902		8,259	688

Building and Grounds

Annual	1,500	800 Exterminat, carpets,
Monthly	125	67 windows, etc

Supplies

Annual	5,506	6,069
Percent of Sales	1.3%	1.3%

Other Expenses

<u>Includes....</u>	<u>FY 2010 (annualized)</u>	<u>FY 2011</u>	
Bank Charges	424	200	
Postage	284	284	
Staff Development	294	100	
Outreach/Special Programs	325	400	Per Kathy
Dues & Permits	400	1,230	CNM, Char Prmt, Cable, Contract Council
Visual Merchandising	294	-	
Travel & Entertainment	750	450	Assumes no participation natl workshops
Contributions	2,000	2,000	Paid in connection with sponsored sales
Miscellaneous	300	300	
Total	5,071	4,964	
Monthly		414	

Interest Income (Expense)

Interest bearing account rate

0.15% annual rate

0.01% periodic rate

Contributions

Nothing assumed

TTV Nashville FY 2011 Budget

	April	May	June	July	August	September	October	November	December	January	February	March	TOTAL
Revenue	24,700	31,825	24,741	27,550	24,790	21,850	29,450	73,150	147,725	23,275	22,800	23,275	475,131
Cost of Goods Sold	12,646	16,294	12,667	14,106	12,692	11,187	15,078	37,453	75,635	11,917	11,674	11,917	243,267
Gross Profit	12,054	15,531	12,074	13,444	12,098	10,663	14,372	35,697	72,090	11,358	11,126	11,358	231,864
Gross Margin	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%	48.80%
<u>Operating Expenses</u>													
<u>Salaries and Wages</u>													
Manager	4,478	4,478	4,478	4,478	4,478	4,478	4,478	4,478	4,978	4,478	4,478	4,478	54,239
Asst. Manager	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,966	2,716	2,716	2,716	32,845
Part-Time/Seasonal	0	0	0	0	0	0	0	0	0	0	0	0	0
Health Insurance	207	207	207	207	207	207	207	207	207	207	207	207	2,484
Simple IRA Contribution	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>136</u>	<u>1,627</u>
Salaries & Wages	7,537	7,537	7,537	7,537	7,537	7,537	7,537	7,537	8,287	7,537	7,537	7,537	91,195
<u>Payroll Expenses</u>													
Paychex Fees	129	129	129	129	129	129	129	129	129	129	129	129	1,550
Payroll Taxes	554	554	554	554	554	554	554	554	612	554	554	554	6,705
Payroll Expenses	683	683	683	683	683	683	683	683	741	683	683	683	8,255
Rent	6,304	6,304	6,304	6,304	6,304	6,304	7,071	7,071	7,071	7,071	7,071	7,071	80,250
Advertising	741	955	742	827	744	656	884	2,195	4,432	698	684	698	14,254
Credit Card Fees	445	573	445	496	446	393	530	1,317	2,659	419	410	419	8,552
Insurance	436	436	436	436	436	436	436	436	436	436	436	436	5,232
Professional Services	2,475	2,475	2,475	175	175	175	175	175	175	175	175	175	9,000
Technology	272	272	272	272	272	272	272	272	272	272	272	272	3,260
Building & Grounds	67	67	67	67	67	67	67	67	67	67	67	67	800
<u>Utilities</u>													
Telephone	223	223	223	223	223	223	223	223	223	223	223	223	2,675
Electric	396	396	396	396	396	396	396	396	396	396	396	396	4,750
Gas	54	54	54	54	54	54	54	54	54	54	54	54	654
Water	15	15	15	15	15	15	15	15	15	15	15	15	180
Utilities	688	688	688	688	688	688	688	688	688	688	688	688	8,259
Supplies	316	407	316	352	317	279	376	934	1,887	297	291	297	6,069
Other Expenses	414	414	414	414	414	414	414	414	414	414	414	414	4,964
Total Operating Expenses	20,376	20,809	20,379	18,250	18,082	17,903	19,132	21,788	27,128	18,757	18,728	18,757	240,090
Operating Income	(8,323)	(5,279)	(8,305)	(4,805)	(5,984)	(7,240)	(4,761)	13,909	44,962	(7,399)	(7,602)	(7,399)	(8,226)
Operating Margin	-34%	-17%	-34%	-17%	-24%	-33%	-16%	19%	30%	-32%	-33%	-32%	-2%
<u>Other Income</u>													
Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Income/Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	(8,323)	(5,279)	(8,305)	(4,805)	(5,984)	(7,240)	(4,761)	13,909	44,962	(7,399)	(7,602)	(7,399)	(8,226)
Reconciliation to Cash													
Beginning Cash Balance	95,000	86,677	81,399	73,093	68,288	62,304	55,064	50,303	64,212	109,173	101,774	94,173	
Add: Net Income	(8,323)	(5,279)	(8,305)	(4,805)	(5,984)	(7,240)	(4,761)	13,909	44,962	(7,399)	(7,602)	(7,399)	
Ending Cash Balance	86,677	81,399	73,093	68,288	62,304	55,064	50,303	64,212	109,173	101,774	94,173	86,774	

Payroll + Rent / Revenue **37.82%**
Payroll + Rent / Rev TTV Guidance **Max 33%**
Payroll / Revenue **20.9%**